

## Message Text

CONFIDENTIAL

PAGE 01 LONDON 19577 031955Z

16

ACTION EB-07

INFO OCT-01 EUR-12 EA-07 ISO-00 SAJ-01 AGRE-00 CEA-01

CIAE-00 COME-00 DODE-00 FRB-03 H-02 INR-07 L-03

LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01

/090 W

----- 116313

R 031833Z DEC 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 8422

INFO USMISSION EC BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY WELLINGTON

AMEMBASSY WARSAW

AMEMBASSY BELGRADE

AMEMBASSY MOSCOW

C O N F I D E N T I A L LONDON 19577

DEPARTMENT PASS AGRICULTURE

E.O. 11652 GDS

TAGS: EAGR

SUBJECT: MEAT SHIPMENTS TO USSR AND EASTERN EUROPE

SUMMARY. HEAVY NOVEMBER PURCHASES FOR PROMPT DELIVERY  
REPORTED. NEW PURCHASE STRATEGY MAY BE DEVELOPING.  
LARGE SALES FROM INTERVENTION HELD UNLIKELY. END SUMM-  
ARY.

L. A TRADE SOURCE HERE HAS INDICATED LARGE NOVEMBER  
PURCHASES BY BOTH USSR, POLAND AND NEW TENDER BY YUGOSLA-  
VIA. IN NOVEMBER FIRM SALES ARE 27,000 TONS TO USSR  
FOR PROMPT SHIPMENT OUT OF AUSTRALIA AND NEW ZEALAND AND  
15,000 TONS TO POLAND. OCEANIA SALES FOR NOV.-MARCH DE-  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 19577 031955Z

LIVERY NOW TOTAL AT LEAST 58,000 TONS. STRONG INTEREST

BEING EXPRESSED IN ADDITIONAL SUPPLIES FOR PROMPT DELIVERY. YUGOSLAVIA APPARENTLY HAS ISSUED TENDER FOR 20,000 TONS FROZEN BEEF. ABOVE INFORMATION IS BELIEVED RELIABLE BUT WOULD CAUTION AGAINST ANY RELEASE OF INFO OR IDENTIFICATION OF SOURCE.

2. UNLIKE EARLY 70'S WHEN BIG QUANTITIES WERE AGREED AT BEGINNING OF SEASON, THIS YEAR THE SOVIETS HAVE BEEN INTO MARKET AT LEAST FOUR SEPARATE TIMES FOR SMALLER QUANTITIES. MORE SIGNIFICANTLY THEY APPEAR TO BE DELIBERATELY BY-PASSING BIG SALES ORGANIZED BY BOARDS IN FAVOR OF QUIET INDIVIDUAL DEALS WITH MAJOR COMPANIES. THIS COULD BE AN ATTEMPT TO MINIMIZE ANY PRICE RISE BY KEEPING EVERYONE IN DARK OF THE MAGNITUDE OF THEIR OVERALL PURCHASES. THERE IS SOME CONCERN HERE THAT NOT UNLIKE GRAIN PURCHASES OF EARLY 70'S THEY MAY BE IN A MASSIVE PURCHASE SCHEME AT LOW PRICES THAT WILL FUNDAMENTALLY CHANGE WORLD DEMAND-SUPPLY BALANCE.

3. SEVERAL SOURCES INDICATED LARGE SALES OF INTERVENTION BEEF TO USSR ARE UNLIKELY BECAUSE IT WOULD REQUIRE SUBSTANTIAL DIRECT SUBSIDY PAYMENT TO MATCH PRICES OFFERED IN OCEANIA AND SO. AMERICA. THIS WOULD REBOUND ON COMMISSION THIS SPRING IF EXPECTED LOWER INTERNAL SUPPLIES CAUSED PRICES TO RISE MARKEDLY. THEY HOPE TO SALVAGE SOME GOOD WILL TOWARD INTERVENTION SYSTEM BY WORKING OFF THE HUGE BEEF STOCKS AND THEN PUBLICLY STATING QUOTE THAT PRICE RISES IN CURRENT SHORTAGE SITUATION ARE BEING MODERATED DUE TO FORESIGHT AND WISDOM IN PUTTING SOME MEAT AWAY AT A TIME OF OVERSUPPLY END QUOTE. EVERYONE STILL REMEMBERS THE HUGE EC SUBSIDIZED BUTTER SALE TO EAST AND CONSEQUENT ILL FEELINGS. THEY WISH NO REPETITION.

ARMSTRONG

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** REPORTS, SALES, IMPORTS, INTELLIGENCE ASSESSMENTS, MEATS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976LONDON19577  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760449-0322  
**From:** LONDON  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761275/aaaacngk.tel  
**Line Count:** 96  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 06 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <06 APR 2004 by ShawDG>; APPROVED <07 APR 2004 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MEAT SHIPMENTS TO USSR AND EASTERN EUROPE SUMMARY. HEAVY NOVEMBER PURCHASES FOR PROMPT DELIVERY REPORTED. NEW PURCHASE STRATEGY MAY BE DEVELOPING  
**TAGS:** EAGR, UR, XH  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006